

IC 14-37-13

Chapter 13. Penalties

IC 14-37-13-1

Permit revocation

Sec. 1. The commission may revoke a permit issued under this article if the commission finds any of the following:

- (1) The permit was issued through fraud or misrepresentation.
- (2) The owner or operator has violated:
 - (A) this article; or
 - (B) a rule adopted under this article.
- (3) The information or conditions upon which a permit was issued have substantially changed since issuance.
- (4) The operation of a well for oil and gas purposes is polluting the water or land in Indiana.
- (5) The owner or operator has been issued a notice of violation under IC 14-37-12 and has failed to do at least one (1) of the following:
 - (A) Abate the violation within the prescribed period.
 - (B) Secure in writing from the division an extension of time in which to abate the violation before the expiration of the period established for abatement.
 - (C) Request a proceeding under IC 4-21.5-3-6 within:
 - (i) thirty (30) days after receipt of the notification; or
 - (ii) the period provided by the division for abatement; whichever is longer.

As added by P.L.1-1995, SEC.30.

IC 14-37-13-2

Action following revocation of permit

Sec. 2. (a) If a permit is revoked under this chapter, the commission may do either of the following:

- (1) Order the owner or operator to plug and abandon the well.
 - (2) Plug and abandon the well.
- (b) The revocation of a permit under this chapter does not relieve the owner or operator of the well to which the permit relates of the responsibility imposed by IC 14-37-8 for the plugging and abandonment of the well.
- (c) If the commission elects to plug and abandon a well under subsection (a)(2), the commission may apply the bond or other security provided under:
- (1) IC 14-37-6; or
 - (2) IC 13-8-8 (before its repeal);
- to the costs of plugging and abandoning the well.
- (d) If the commission elects to plug and abandon a well under subsection (a)(2), the owner or operator of the well remains liable for the costs of plugging and abandoning the well.
- (e) The state has a lien on:
- (1) the casing and all equipment located on or removed from the well site;

(2) the leasehold of the land upon which the well is located; and
(3) any crude oil stored on the well site or recovered at the time the well is plugged and abandoned;
to secure the cost of plugging and abandoning. Except as provided in subsection (f), the lien may be foreclosed on order of the commission in the name of the state of Indiana by the attorney general in a circuit or superior court having jurisdiction in any county where the land is located.

(f) If the commission elects to plug and abandon a well under subsection (a)(2), the commission may also enter an order authorizing its agents, employees, or contractors to dispose of:

(1) casing and all equipment located on or removed from the well site; and

(2) any crude oil stored on the well site or recovered;
at the time the well is plugged and abandoned. An inventory of the casing and all equipment and any crude oil shall be made, and the salvage or other reasonable market value of the casing and all equipment and any crude oil shall be applied as a credit to offset the actual cost incurred by the commission to plug and abandon the well.
As added by P.L.1-1995, SEC.30. Amended by P.L.236-2001, SEC.5.

IC 14-37-13-3

Civil penalty

Sec. 3. The commission may assess against a person who violates:

(1) this article or IC 13-8 (before its repeal); or

(2) a rule adopted under this article (or IC 13-8 before its repeal);

a civil penalty of not more than ten thousand dollars (\$10,000) for each day the violation occurs. The penalty may be recovered and the violator may be enjoined from continuing the violation in a civil action.

As added by P.L.1-1995, SEC.30.

IC 14-37-13-4

Administrative review; effectiveness of civil penalty

Sec. 4. A civil penalty assessed under section 3 of this chapter is subject to IC 4-21.5-3-6 and becomes effective without a proceeding under IC 4-21.5-3 unless a person requests an administrative review within thirty (30) days of notice of the assessment.

As added by P.L.1-1995, SEC.30.

IC 14-37-13-5

Civil action in name of state to restrain person from commencing or continuing violations

Sec. 5. The commission may bring a civil action in the name of the state of Indiana through the attorney general, in a circuit or superior court having jurisdiction in any county in which land involved is located or in which a person resides, to restrain the person from commencing or continuing to violate any of the following:

- (1) This article.
- (2) A rule adopted under this article.
- (3) An order of the commission.

As added by P.L.1-1995, SEC.30.

IC 14-37-13-6

Violations

Sec. 6. (a) Except as provided in subsection (b), a person who knowingly violates this article commits a Class B misdemeanor. Each day a violation occurs is a separate offense.

(b) A person who knowingly violates this article with respect to the operation of a Class II well commits a Class D felony.

As added by P.L.1-1995, SEC.30.

IC 14-37-13-7

Costs and expenses

Sec. 7. If an order is issued:

- (1) under this article or IC 13-8 (before its repeal); or
- (2) as a result of any administrative proceeding under this article or IC 13-8 (before its repeal);

the court or the director may assess against any party to the proceeding the costs and expenses, including attorney's fees, reasonably incurred by that person with respect to the proceedings, including any judicial review of a final agency action. The director shall determine the amount of the costs and expenses.

As added by P.L.1-1995, SEC.30.